

Case Conclusion Data Sheet

Complete

EA #: 02-2005-0009
Date Entered: 03/23/2007
ORC Branch: NYSUP

PB

Case and Facility Information

Court or Administrative Docket or Index Number 05-35298(CGM)
Enforcement Action Name Westwood Chemical Corp. SB
Additional Respondents, PRPs, or Defendants

Site(s): Westwood Chemical Corporation

Enforcement Action Type Judicial Bankruptcy Claim
Primary Statute/Section Violated CERCLA 107A - Cost Recovery
Other Statutes/Sections
CFR Citations:

Priority Activity

☒ Core Priority

EPA Lead Attorney	Michael Mintzer	ORC-NYCSB	(office) 212-637-3168
EPA Program Contact	Dilshad Perera	ERRD-RPB	(office) 732-321-4356

Violation Type

Was this action taken in response to a violation found through an inspection?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Was this a Multi-Media action? (check all that apply)	<input type="radio"/> Yes <input checked="" type="radio"/> No
Was the Agency activity taken in response to Environmental Justice concerns?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Was Voluntary Disclosure Policy applied to this action?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Was Alternative Dispute Resolution used in this action?	<input type="radio"/> Yes <input checked="" type="radio"/> No

Conclusion Type Judicial consent decree or court order
Date of Final Order Lodging 01/29/2007
Date of Final Order 03/21/2007
Estimated Termination Date 04/02/2007
Resolution Code Final Order with Specified Cost Recovery

Injunctive Relief/Complying Action

Direct Action to Reduce, Eliminate, or Treat Pollutants

Direct Environmental Reduction Cost\$0.00

Preventative Actions to Manage Waste Streams or Prevent Releases/Exposures

Preventative Cost\$0.00

Quantitative Environmental Impact

240908



SEP(s)

Penalty

Final Assesed Penalty (Not including value of any SEP)

EPA	\$0.00
State and Local Government	\$0.00

For Multi-Media actions, enter the Federal amounts by statute:
Statute

Amount

CERCLA Cost Recovery

Amount of cost recover awarded

EPA	\$1,250,000.00
State and Local Government	\$0.00

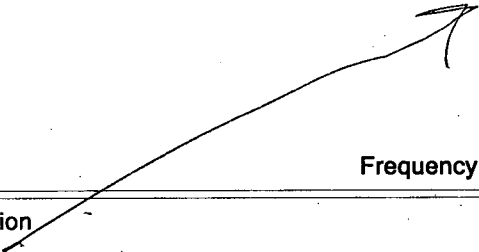
Case Summary

Between March 2, 2005 and March 1, 2006, EPA incurred approximately \$3,000,000 in CERCLA response costs in performance of a time-critical removal action at the Westwood Chemical Site, Orange County, New York ("Site"). The Site is the location of a former manufacturing plant owned and operated by Westwood Chemical Corp. ("Westwood"). As a result of financial difficulties, Westwood ceased operations in October 2004 resulting in the abandonment of hazardous substances at the Site. On January 28, 2005, Westwood was put into a Chapter 7 bankruptcy and the EPA cleanup was conducted during the bankruptcy. EPA sent a civil litigation referral to DOJ requesting that DOJ appear in the bankruptcy on behalf of EPA in order to recover the costs of the performance of the CERCLA response action from assets of the bankruptcy estate. The United States submitted an administrative claim in the bankruptcy for EPA's response costs. Following the cleanup, the property was sold by the bankruptcy trustee for \$3-million. However, the assets were subject to secured liens of almost \$5.4-million and the trustee, at the request of the United States, filed an adversary proceeding against the secured creditors pursuant to Section 506(c) of the Bankruptcy Code which permits certain administrative claimants to surcharge the interests of holders of secured claims. In a settlement between the trustee, the United States on behalf of EPA, the State of New York and four secured creditors, which settlement was entered as an Order by the Bankruptcy Court on March 21, 2007, EPA was awarded \$1,250,000 with the balance of the proceeds being divided among the four secured creditors, the State of New York and the trustee in bankruptcy to pay unsecured creditors and administrative expenses of the trustee.

Self Disclosure Information

Disclosure under Audit Policy?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Disclosure under EPA's Small Business Policy?	<input type="radio"/> Yes <input checked="" type="radio"/> No

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Description	Frequency	Page	Due
Westwood Chemical Corporation	once	6	04/02/2007

Milestone

02-2005-0009

Facility	Westwood Chemical Corporation
Category	
Milestone	
Due	04/02/2007
Frequency	once
Page Number	6
Comments	In addition to the \$1,250,000 payment, the Order provides on page 5 that EPA is to receive its allocable share of interest earned on the \$1,250,000 during the period of time that EPA was holding those proceeds pending their distribution to EPA

Site/Facility Information

02-2005-0009

Site/Facility Data

Facility Name: Westwood Chemical Corporation

Street 146 Tower Drive		
City Middletown	State NY	Zip 10941

County: Orange

Facility 4-Digit SIC code(s):

Is this a Federal Facility? ☐ Yes ☒ No

Is this a small business? ☒ Yes ☐ No

Is this Indian Land? ☐ Yes ☒ No

EPA FRS Number: 110001614398 Look for this number in FRS

EPA Program ID NO.: NYD072710502 (02-WN)

ICIS Number:

Parent Document-> 